

FISCAL NOTE

HB 738 - SB 999

February 21, 2001

SUMMARY OF BILL: Prohibits the Department of Finance and Administration or the State Building Commission from charging state institutions of higher education an acquisition fee for handling purchases of real property.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$300,000

Estimate assumes:

- Bill would reduce expenditures to institutions of higher education; however, such reductions would result in a loss of 49% of the funds used by the Department of Finance and Administration for acquisition of real property.
- These funds would have to be replaced by appropriation of that amount from the general fund.

For information purposes, in FY 99-00 the total amount of fees paid to the Department of Finance and Administration for acquisition of real property by higher education institutions was \$296,584; of which, \$123,004 was paid by the University of Tennessee and \$173,580 was paid by the Tennessee Board of Regents.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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